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April 3, 2006

VIA MELLON BANK

Federal Communications Commission
Wireline Competition Bureau - CPD - 214 Appls.
c/o Mellon Bank
P.O. Box 358145
Pittsburgh, PA 15251-5145

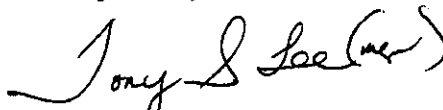
Re: **Rural Telephone Service Company, Inc., United Telephone Company of
Kansas, and United Telephone of Eastern Kansas**
Domestic Section 214 Application for Streamlined Approval of a
Transfer of Control Pursuant to Sections 63.03 and 63.04 of the FCC's Rules

To Whom It May Concern:

Transmitted herewith are an original and four (4) copies of a domestic Section 214 application for streamlined approval of a transfer of control pursuant to Sections 63.03 and 63.04 of the Commission's rules, 47 C.F.R. § 63.03 and 63.04. As further detailed in the application, the companies seek streamlined processing to effectuate the sale twelve telephone exchanges from United Telephone Company of Kansas and United Telephone of Eastern Kansas to Rural Telephone Service Company, Inc. A check in the amount of \$895.00 is enclosed to cover the requisite filing fee.

Please date-stamp and return the extra copy of this filing, which is included for this purpose. Should you have any questions with respect to this matter, please do not hesitate to contact the undersigned at (202) 857-1707.

Respectfully submitted,



James U. Troup
Tony S. Lee

Counsel for Rural Telephone Service Company, Inc.

Enclosures

cc: Larry Sevier
Craig T. Smith
Richard Juhnke

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
RURAL TELEPHONE SERVICE COMPANY, INC.)	
and)	File No. _____
UNITED TELEPHONE COMPANY OF)	
KANSAS, AND UNITED TELEPHONE)	
OF EASTERN KANSAS)	
)	
Domestic Section 214 Application for)	
Streamlined Approval of a)	
Transfer of Control Pursuant to)	
Sections 63.03 and 63.04 of the)	
Commission's Rules)	
_____)	

**JOINT APPLICATION FOR STREAMLINED APPROVAL OF A
TRANSFER OF CONTROL**

Rural Telephone Service Company, Inc. ("RuralTel"), and United Telephone Company of Kansas and United Telephone of Eastern Kansas (collectively, "United") (the parties are jointly referred to herein as the "Applicants"), by their attorneys, hereby request approval pursuant to Section 214 of the Communications Act of 1934, as amended,¹ and Sections 63.03 and 63.04 of the Commission's rules,² for the sale of the Burr Oak, Courtland, Esbon, Ionia, Lebanon, Republic, and Webber exchanges from United Telephone Company of Eastern Kansas, and the Downs, Luray, Osborne, Paradise, and Russell exchanges from United Telephone Company of Kansas (the "United Exchanges"), to RuralTel. This application is subject to presumptive streamlined processing under Section 63.03(b)(1)(iii) of the Commission's rules

¹ 47 U.S.C. § 214.

² 47 C.F.R. §§ 63.03 and 63.04.

because it involves only the transfer of the local exchange assets of an incumbent local exchange carrier ("LEC") by means other than an acquisition of corporate control.³

As described in this application, United has agreed to sell twelve of United's rural exchanges to RuralTel. After the transaction is complete, RuralTel will thereafter provide local exchange service and related access services to the customers in the United Exchanges. No change in corporate control of United is involved. In support of this Application, Applicants submit the following information pursuant to Section 63.04 of the Commission's rules:

(1) The name, address and telephone number of each applicant.

Rural Telephone Service Company, Inc.
Post Office Box 158
145 North Main
Lenore, KS 67645
Tel: (785) 567-4281
Fax: (785) 567-4401

United Telephone Company of Kansas and
United Telephone Company of Eastern Kansas
5454 W. 110th Street
Overland Park, KS 66211
Tel: 913 323-4637
Fax: 913-523-7700

(2) The government, state or territory under which the laws of which each corporate or partnership applicant is organized.

RuralTel and United Telephone Company of Kansas are incorporated under the laws of the State of Kansas. United Telephone Company of Eastern Kansas is incorporated in the State of Delaware.

(3) The name, title, post office address, and telephone number of the officer or contact person, such as legal counsel, to whom all correspondence concerning the application is to be addressed.

The designated contacts for RuralTel are as follows:

³ 47 C.F.R. § 63.03(b)(1)(iii).

Larry Sevier
Chief Executive Officer
Rural Telephone Service Company, Inc.
Post Office Box 158
145 North Main
Lenore, KS 67645
Tel: (785) 567-4281
Fax: (785) 567-4401

with a copy to:

James U. Troup, Esq.
McGuireWoods LLP
1050 Connecticut Avenue, N.W.
Suite 1200
Washington, D.C. 20036
Tel: (202) 857-1700
Fax: (202) 857-1737

The designated contact for United is as follows:

Craig T. Smith, Esq.
Senior Counsel
Sprint Nextel Corporation
6450 Sprint Parkway
Overland Park, KS 66251-6100
Tel: (913) 315-9172
Fax: (913) 523-9852

- (4) **The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of these entities (to the nearest one (1) percent).**

RuralTel: Not applicable. RuralTel is a cooperative.

United: United is a wholly-owned subsidiary of Sprint Nextel Corporation, a publicly traded corporation, and no person or entity owns more than 10 percent of Sprint Nextel Corporation.

- (5) **Certification pursuant to 47 C.F.R. Sections 1.2001 through 1.2003 that no party to this application is subject to denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853.**

RuralTel and United certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's rules, that neither party is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853.

(6) **Description of the Transaction:**

A. Background.

RuralTel is a rural telephone company that serves approximately 10,758 customer access lines in the following exchanges: Agra, Alton, Athol, Collyer, Damar, Edmond, Galatia, Gaylord, Gove, Grainfield, Hill City, Jennings, Kensington, Lenora, Logan, Long Island, Morland, Natoma, Olmitz, Palco, Prairie View, Quinter, Rexford, Selden, Victoria, WaKeeney, Woodruff, Woodston, and Zurich. In the applicable United study areas, United serves approximately 118,000 access lines in Kansas, approximately 5,000 of which are in the United Exchanges.

B. The transaction that is the subject of this application.

In this transaction, United is proposing to sell the United Exchanges to RuralTel. Upon consummation of this transaction, RuralTel will operate the United Exchanges as the incumbent local exchange carrier and begin providing telecommunications services to United's customers in the subject exchanges.⁴

⁴ RuralTel has a CLEC subsidiary, Nex-Tech, Inc., that services approximately 915 lines in the Osborne exchange, one of the United Exchanges. At the time this transaction closes, RuralTel will also transfer those CLEC operations in the Osborne exchange to its ILEC operations. Because Nex-Tech is a wholly-owned subsidiary of RuralTel, that transfer is a *pro forma* transfer of control that does not require advance approval. 47 C.F.R. § 63.03(d)(1). Nex-Tech is still subject to the Commission's streamlined procedures for handling carrier-to-carrier transfers of subscriber bases, 47 C.F.R. § 64.1120(e), and will make the appropriate filings with the Commission required by that section.

RuralTel will continue the provision of a full range of local telecommunications services to both residential and business customers without interruption to the current service provided to United subscribers.⁵ After the proposed transaction is consummated, RuralTel's service area will encompass 20 additional communities in north central Kansas.

RuralTel will offer substantially identical telecommunications services, at similar rates, to those currently available to United's customers in the United Exchanges. RuralTel, however, intends to implement upgrades and improvements, as further described below, to enhance service in the acquired exchanges. No subscribers will lose their access to local exchange service as a result of the transfer. Moreover, since the transfer of the affected customers to RuralTel's services is intended to occur automatically, after notice, the transition will be free of service disruptions.

On March 3, 2006, Applicants filed an application with the Kansas Corporation Commission ("KCC") requesting approval of the sale of the United Exchanges from United to RuralTel. A copy of the KCC's Order approving the transaction will be submitted to the FCC as soon as it is available.

(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area.

The RuralTel and United exchanges are located in northwest and north central Kansas. As described above, RuralTel serves approximately 10,728 access lines, and United serves approximately 5,000 access lines in the United Exchanges.

⁵ United and its affiliates will cease providing intraLATA and interLATA toll services to those local customers in the exchanges in question who, at the time this transaction closes, are presubscribed to United and its affiliates for such services. United and its affiliates will follow the Commission's discontinuance of service procedures and will file a timely discontinuance of service application under 47 C.F.R. 63.71 closer to the time this transaction is expected to be consummated.

RuralTel is an incumbent independent telephone company that provides local exchange telecommunications services in the Agra, Alton, Athol, Collyer, Damar, Edmond, Galatia, Gaylord, Gove, Grainfield, Hill City, Jennings, Kensington, Lenora, Logan, Long Island, Morland, Natoma, Olmitz, Palco, Prairie View, Quinter, Rexford, Selden, Victoria, WaKeeney, Woodruff, Woodston, and Zurich exchanges. RuralTel intends to operate the United Exchanges after their transfer from United, and RuralTel will provide comparable local exchange services to the public.

- (8) A statement as to how the application fits into one or more of the presumptive streamlined categories in Section 63.03 or why it is otherwise appropriate for streamlined treatment.**

This transaction qualifies for presumptive streamlined treatment because it “involves only the transfer of the local exchange assets of an incumbent LEC by means other than an acquisition of control.”⁶ As described above, only the assets in the United Exchanges owned by United will be transferred to RuralTel, and no corporate change of control will result from the transaction.

- (9) Identification of all other Commission applications related to the same transaction.**

The parties will be filing a joint petition with the Commission seeking (1) a waiver of the definition of “study area” contained in the Appendix-Glossary of Part 36 of the Commission’s rules, and (2) a waiver of Section 69.3(e)(11) of the Commission’s rules to allow RuralTel to use NECA as its tariff pool administrator for the acquired exchanges. The petition will seek a waiver of the Applicants’ existing study area boundaries to remove those exchanges from United’s current Kansas study areas, and to include those exchanges in RuralTel’s study area boundaries. That petition will also request the removal of Nex-Tech’s lines in Osborne (see n.4, *supra*) from Nex-Tech’s study area and the addition of those lines to RuralTel’s study area.

⁶ *Id.*

- (10) A statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.**

None of the Applicants is facing imminent business failure. Accordingly, no special consideration of this Application on this ground is requested.

- (11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.**

As discussed above, Applicants will be filing a joint petition with the Commission seeking a waiver of the definition of "study area" and Section 69.3(e)(11).

- (12) A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets.**

Grant of the instant Application will serve the public interest because it will result in the efficient provision of high-quality telecommunications services to rural consumers, and it will result in direct benefits to customers in the United Exchanges. RuralTel intends to make several improvements to the facilities serving the United Exchanges, including the installation of fiber throughout the United Exchanges, which will enhance the redundancy and reliability of the network, as well as extend high-speed digital transmission capabilities to areas not currently served by the United network. RuralTel will continue the provision of excellent service quality and customer service to subscribers within the exchanges it intends to purchase, and it will provide such service at affordable and competitive prices.

Although this transaction, together with the planned incorporation of Nex-Tech's lines into RuralTel's ILEC operations in the Osborne exchange (see n. 4, *supra*), will remove a competitor from that market, this will not have an adverse impact on competition. Excluding Nex-Tech, there are two other CLECs that are authorized to provide local exchange service in the Osborne exchange. Furthermore, alternative providers are aggressively seeking to replace

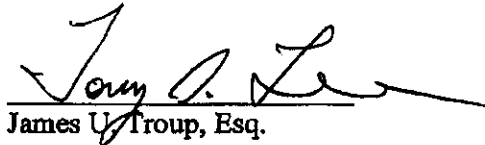
traditional landline services with those based on wireless technology or voice over Internet protocol. Several carriers, including USCOC of Nebraska/Kansas LLC, and RCC Minnesota, Inc., have been designated as eligible telecommunications carriers in the Osborne exchange. The transfer of Nex-Tech's subscribers to RuralTel will not have an adverse impact on competition as providers such as those discussed above can offer alternatives to the service offered by the incumbent.

RuralTel's management team will endeavor to ensure that customers continue to receive the high-quality services they are accustomed to receiving, and they will seek to bring innovative and technologically advanced services to subscribers as market conditions warrant. Accordingly, grant of the instant Application is in the public interest, and should be granted.

CONCLUSION

For the reasons stated herein, Applicants request that the Commission apply presumptive streamlined processing to this Application pursuant to Section 63.03 of the Commission's rules, 47 C.F.R. § 63.03, and upon due consideration of the facts before it, issue an order approving the Application.

Respectfully submitted,



James U. Troup, Esq.

Tony S. Lee, Esq.

McGuireWoods LLP

1050 Connecticut Avenue, N.W.

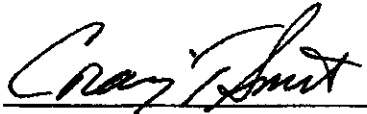
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Washington, D.C. 20026-5317

Tel: (202) 857-1700

Fax: (202) 857-1736

Counsel for Rural Telephone Service Company, Inc.,



Craig T. Smith, Esq.

6450 Sprint Parkway

KSOPHN0214-2A671

Overland Park, Kansas 66251

Tel: (913) 315-9172

Fax: (913) 523-9852

Counsel for United Telephone Company of Kansas and
United Telephone of Eastern Kansas

Date: April 3, 2006

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589

Page 1 of 3

(1) LOCKBOX # 358145			
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) McGuireWoods LLP		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$895.00	
(4) STREET ADDRESS LINE NO. 1 c/o Tony S. Lee			
(5) STREET ADDRESS LINE NO. 2 1050 Connecticut Avenue, N.W., Suite 1200			
(6) CITY Washington		(7) STATE DC	(8) ZIP CODE 20036
(9) DAYTIME TELEPHONE NUMBER (include area code) 202-857-1700		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0005857917			
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Rural Telephone Service Company, Inc.			
(14) STREET ADDRESS LINE NO. 1 PO BOX 158			
(15) STREET ADDRESS LINE NO. 2 145 North Main			
(16) CITY Lenore		(17) STATE KS	(18) ZIP CODE 67645
(19) DAYTIME TELEPHONE NUMBER (include area code) 785-567-4281		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0002336105			
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$895.00	(27A) TOTAL FEE \$895.00		
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE		
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Tony S. Lee</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>Tony S. Lee</u>		DATE <u>April 3, 2006</u>	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s) authorization herein described.			
SIGNATURE _____		DATE _____	

FEDERAL COMMUNICATIONS COMMISSION		
REMITTANCE ADVICE (CONTINUATION SHEET)		
Page No. <u>2</u> of <u>3</u>		
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT		
SECTION BB - ADDITIONAL APPLICANT INFORMATION		
(13) APPLICANT NAME United Telephone Company of Kansas		
(14) STREET ADDRESS LINE NO. 1 5454 W. 110th Street		
(15) STREET ADDRESS LINE NO. 2		
(16) CITY Overland Park	(17) STATE KS	(18) ZIP CODE 66211
(19) DAYTIME TELEPHONE NUMBER (include area code) 913-323-4837		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED		
(21) APPLICANT (FRN) 0002342038		
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	
(28A) FCC CODE 1	(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	
(28B) FCC CODE 1	(29B) FCC CODE 2	
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	
(28C) FCC CODE 1	(29C) FCC CODE 2	
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	
(28D) FCC CODE 1	(29D) FCC CODE 2	
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	
(28E) FCC CODE 1	(29E) FCC CODE 2	
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	
(28F) FCC CODE 1	(29F) FCC CODE 2	

FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE (CONTINUATION SHEET) Page No. <u>3</u> of <u>3</u>		
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION		
(13) APPLICANT NAME United Telephone Company of Eastern Kansas		
(14) STREET ADDRESS LINE NO. 1 5454 W. 110th Street		
(15) STREET ADDRESS LINE NO. 2		
(16) CITY Overland Park	(17) STATE KS	(18) ZIP CODE 66211
(19) DAYTIME TELEPHONE NUMBER (include area code) 913-323-4637		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED		
(21) APPLICANT (FRN) 0002595247		
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET		
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	
(28A) FCC CODE 1		(29A) FCC CODE 2
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	
(28B) FCC CODE 1		(29B) FCC CODE 2
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	
(28C) FCC CODE 1		(29C) FCC CODE 2
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	
(28D) FCC CODE 1		(29D) FCC CODE 2
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	
(28E) FCC CODE 1		(29E) FCC CODE 2
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	
(28F) FCC CODE 1		(29F) FCC CODE 2